

LEGISLATURE OF NEBRASKA
NINETY-EIGHTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 29

Introduced by Schrock, 38

Read first time January 9, 2003

Committee: Rereferred to Natural Resources

A BILL

1 FOR AN ACT relating to the Municipal Cooperative Financing Act; to
2 amend sections 18-2427, 18-2430, 18-2433, and 18-2446,
3 Reissue Revised Statutes of Nebraska; to change and
4 eliminate provisions relating to power projects; to
5 change powers and duties; to harmonize provisions; to
6 repeal the original sections; and to outright repeal
7 section 18-2429, Reissue Revised Statutes of Nebraska.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 18-2427, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 18-2427. Upon adoption of ordinances in accordance with
4 section 18-2420, a petition shall be addressed to the Nebraska
5 Power Review Board stating that it is the intent and purpose to
6 create an agency pursuant to sections 18-2426 to 18-2434, subject
7 to approval by the Nebraska Power Review Board. The petition shall
8 state the name of the proposed agency, the names of the proposed
9 participating municipalities, the percentage of each participating
10 municipality's total annual firm power requirements provided from a
11 source other than a district or corporation organized pursuant to
12 Chapter 70, article 6, 7, or 8, during each of the five calendar
13 years preceding May 1, 1981, the name and residence of each of the
14 directors so far as known, a certified copy of each of the
15 ordinances of the participating municipalities determining the need
16 for such an agency, a certified copy of the proceedings of each
17 municipality evidencing the director's right to office, a general
18 description of the operation in which the agency intends to engage,
19 and the location and method of operation of the proposed plants and
20 systems of the agency.

21 Sec. 2. Section 18-2430, Reissue Revised Statutes of
22 Nebraska, is amended to read:

23 18-2430. If any of the participating municipalities in
24 the agency has not received at least fifty percent of its total
25 annual firm power requirements for any one of the five years
26 preceding May 1, 1981, from a source other than a district or
27 corporation organized pursuant to Chapter 70, article 6, 7, or 8,
28 the Nebraska Power Review Board, upon receipt of such petition,

1 ~~shall make an investigation of the proposed agency and its proposed~~
2 ~~plants and systems.~~ If the Nebraska Power Review Board determines
3 that the statements in the petition filed pursuant to section
4 18-2427 are true and conform to public convenience and welfare and,
5 so long as the plants, systems, and works, the operation of the
6 same, the exercise of powers, and the assumption of duties and
7 responsibilities of, or on the part of, such agency, do not
8 nullify, conflict with, or materially affect those of a district or
9 corporation organized under the provisions of Chapter 70, article
10 ~~6, 7, or 8~~ or the Electric Cooperative Corporation Act, the
11 Nebraska Power Review Board or its successor shall, within thirty
12 days after the receipt of such petition, execute a certificate in
13 duplicate setting forth a true copy of the petition and declaring
14 that the petition has been approved.

15 Sec. 3. Section 18-2433, Reissue Revised Statutes of
16 Nebraska, is amended to read:

17 18-2433. (1) A petition for the creation of an agency
18 which intends to engage in the operation of power projects or the
19 generation or supply of electrical energy may be amended as
20 provided in this section. Upon a majority vote of the directors,
21 an agency may amend its petition for creation or may amend its
22 charter to provide for a change in the general description of the
23 nature of the business in which the agency is engaged, upon
24 petition to the Nebraska Power Review Board and approval by the
25 Nebraska Power Review Board in accordance with the procedure
26 established in sections 18-2426 to 18-2434.

27 (2) ~~With respect to the formation, organization, or~~
28 ~~operation of power projects or the generation or supply of electric~~

1 energy, the amendments shall be approved if each new proposed
2 participating municipality has for any one year during the five
3 calendar years preceding May 1, 1981, received at least fifty
4 percent of its total annual firm power requirements from a source
5 other than a district or a corporation organized pursuant to
6 Chapter 70, article 6, 7, or 8, and the statements in the petition
7 are deemed by the Nebraska Power Review Board to be true.

8 (3) If any new proposed municipality has not received at
9 least fifty percent of its total annual firm power requirements for
10 any one of the five calendar years preceding May 1, 1981, from a
11 source other than a district or corporation organized pursuant to
12 Chapter 70, article 6, 7, or 8 After notice to interested parties
13 and a public hearing which may be held at the option of the
14 Nebraska Power Review Board, such amendments shall be approved if
15 the board Nebraska Power Review Board, after notice to interested
16 parties and a public hearing, determines that the statements in the
17 petition are true and conform to public convenience and welfare,
18 and so long as the plants, systems, and works, the operation of the
19 same, the exercise of powers, and the assumptions of duties and
20 responsibilities of, or on the part of, such agency, do not
21 nullify, conflict with, or materially affect those of any other
22 district or a corporation organized under the provisions of Chapter
23 70, article 6, 7, or 8 or the Electric Cooperative Corporation Act,
24 or those of any part of such district or corporation.

25 Sec. 4. Section 18-2446, Reissue Revised Statutes of
26 Nebraska, is amended to read:

27 18-2446. (1) Money of the agency shall be paid out or
28 expended only upon the authorization or approval of the board of

1 directors by specific agreement, a written contract, or by a
2 resolution. All money of the agency shall be paid out or expended
3 only by check, draft, warrant, or other instrument in writing,
4 signed by the treasurer, assistant treasurer, or such other
5 officer, employee, or agent of the agency as shall be authorized by
6 the treasurer to sign in his or her behalf. Such authorization
7 shall be in writing and filed with the secretary of the agency.

8 (2) Money of the agency paid out or expended shall be
9 examined by the board of directors at ~~a~~ the next regular meeting
10 ~~within two months~~ following such expenditure.

11 (3) In the event that there is no treasurer's bond that
12 expressly insures the agency against loss resulting from the
13 fraudulent, illegal, negligent, or otherwise wrongful or
14 unauthorized acts or conduct by or on the part of any and every
15 person authorized to sign checks, drafts, warrants, or other
16 instruments in writing, there shall be procured and filed with the
17 secretary of the agency, together with the written authorization
18 filed with the secretary of the board, a surety bond, effective for
19 protection against such loss, in such form and penal amount and
20 with such corporate surety as shall be approved in writing by the
21 signed endorsement thereon of any two officers of the agency other
22 than the treasurer. The secretary shall report to the board at
23 each meeting any such bonds filed, or any change in the status of
24 any such bonds, since the last previous meeting of the board.

25 Sec. 5. Original sections 18-2427, 18-2430, 18-2433, and
26 18-2446, Reissue Revised Statutes of Nebraska, are repealed.

27 Sec. 6. The following section is outright repealed:
28 Section 18-2429, Reissue Revised Statutes of Nebraska.